

Approved For Release : CIA-RDP78-03721A000200020007-9

H.R. 8427

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12 Sep 63

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A BILL

To provide for the establishment and maintenance of a Central Intelligence Agency Retirement and Disability System for a limited number of employees and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United
2 States of America in Congress assembled,

3 TITLE I - SHORT TITLE AND DEFINITIONS

4 PART A -- SHORT TITLE

5 SEC. 101. This Act may be cited as the "Central Intelligence Agency
6 Retirement Act of 1963 for Certain Employees".

7 PART B -- DEFINITIONS

8 SEC. 111. When used in this Act, the term --
9 (1) "Agency" means the Central Intelligence Agency; and
10 (2) "Director" means the Director of Central Intelligence.

1 TITLE II -- THE CENTRAL INTELLIGENCE AGENCY RETIREMENT

2 AND DISABILITY SYSTEM

3 PART A -- ESTABLISHMENT OF SYSTEM

4 RULES AND REGULATIONS

5 SEC. 201. (a) The Director may prescribe rules and regulations for
6 the establishment and maintenance of a Central Intelligence Agency Retirement and Disability System for a limited number of employees, referred
7 to hereafter as the system.

9 (b) The Director shall administer the system in accordance with such
10 rules and regulations and with the principles established by this Act.

11 (c) In the interests of the security of the foreign intelligence activities
12 of the United States and in order further to implement the proviso of section
13 102 (d)(3) of the National Security Act of 1947, as amended, (50 U.S.C.
14 403 (d)(3)) that the Director of Central Intelligence shall be responsible
15 for protecting intelligence sources and methods from unauthorized disclosure,
16 and notwithstanding the provisions of the Administrative Procedure Act
17 (5 U.S.C. 1001 et seq.) or any other provisions of law, any determinations
18 by the Director authorized by the provisions of this Act shall be deemed
19 to be final and conclusive and not subject to review by any court.

20 ESTABLISHMENT AND MAINTENANCE OF FUND

21 SEC. 202. There is hereby created a fund to be known as the Central
22 Intelligence Agency Retirement and Disability Fund which shall be main-
23 tained by the Director. The Central Intelligence Agency Retirement and
24 Disability Fund is referred to hereafter as the fund.

PARTICIPANTS

SEC. 203. The Director may designate from time to time such Agency officers and employees, hereafter referred to as participants, who shall be entitled to the benefits of the system. Any participant who has completed fifteen years of service with the Agency and whose career at that time is adjudged by the Director to be qualifying for the system may elect to remain a participant of such system for the duration of his employment by the Agency and such election shall not be subject to review or approval by the Director.

ANNUITANTS

SEC. 204. (a) Annuitants shall be participants who are receiving annuities from the fund and all persons, including surviving wives and husbands, widows, dependent widowers, children, and beneficiaries of participants or annuitants who shall become entitled to receive annuities in accordance with the provisions of this Act.

(b) When used in this Act the term--

(1) "Widow" means the surviving wife of a participant who was married to such participant for at least two years immediately preceding his death or is the mother of issue by marriage to the participant.

(2) "Dependent widower" means the surviving husband of a participant who was married to such participant for at least two years immediately preceding her death or is the father of issue by marriage to the participant, and who is incapable of self-support by reason of mental or physical disability, and who received more than one-half of his support from such participant.

(3) "Child" means an unmarried child, under the age of eighteen years, or such unmarried child regardless of age who, because of physical

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1 or mental disability incurred before age eighteen, is incapable of self-
2 support. In addition to the offspring of the participant and his or her spouse,
3 the term includes (i) an adopted child, and (ii) a stepchild or recognized
4 natural child who received more than one-half of his support from the
5 participant.

6 PART B -- COMPULSORY CONTRIBUTIONS

7 SEC. 211. (a) Six and one-half per centum of the basic salary received
8 by each participant shall be contributed to the fund for the payment of
9 annuities, cash benefits, refunds, and allowances. An equal sum shall
10 also be contributed from the respective appropriation or fund which is used
11 for payment of his salary. The amounts deducted and withheld from basic
12 salary together with the amounts so contributed from the appropriation or
13 fund, shall be deposited by the Agency to the credit of the fund.

14 (b) Each participant shall be deemed to consent and agree to such
15 deductions from basic salary, and payment less such deductions shall be a
16 full and complete discharge and acquittance of all claims and demands what-
17 soever for all regular services during the period covered by such payment,
18 except the right to the benefits to which he shall be entitled under this Act,
19 notwithstanding any law, rule, or regulation affecting the individual's salary.

20 PART C -- COMPUTATION OF ANNUITIES

21 SEC. 221. (a) The annuity of a participant shall be equal to 2 per
22 centum of his average basic salary for the highest five consecutive years
23 of service, for which full contributions have been made to the fund, multiplied
24 by the number of years, not exceeding thirty-five, of service credit obtained
25 in accordance with the provisions of sections 251 and 252. In determining

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1 the aggregate period of service upon which the annuity is to be based, the
2 fractional part of a month, if any, shall not be counted.

3 (b) At the time of retirement, any married participant may elect to
4 receive a reduced annuity and to provide for an annuity payable to his wife
5 or her husband, commencing on the date following such participant's death
6 and terminating upon the death of such surviving wife or husband. The
7 annuity payable to the surviving wife or husband after such participant's
8 death shall be 50 per centum of the amount of the participant's annuity com-
9 puted as prescribed in paragraph (a) of this section, up to the full amount
10 of such annuity specified by him as the base for the survivor benefits. The
11 annuity of the participant making such election shall be reduced by 2 1/2 per
12 centum of any amount up to \$2,400 he specified as the base for the survivor
13 benefit plus 10 per centum of any amount over \$2,400 so specified.

14 (c) (1) If an annuitant dies and is survived by a wife or husband and by
15 a child or children, in addition to the annuity payable to the surviving wife
16 or husband, there shall be paid to or on behalf of each child an annuity
17 equal to the smallest of: (i) 40 per centum of the annuitant's average basic
18 salary, as determined under paragraph (a) of this section, divided by the
19 number of children; (ii) \$600; or (iii) \$1,800 divided by the number of children.

20 (2) If an annuitant dies and is not survived by a wife or husband but by
21 a child or children, each surviving child shall be paid an annuity equal to
22 the smallest of: (i) 50 per centum of the annuitant's average basic salary,
23 as determined under paragraph (a) of this section, divided by the number of
24 children; (ii) \$720; or (iii) \$2,160 divided by the number of children.

1 (d) If a surviving wife or husband dies or the annuity of a child is
2 terminated, the annuities of any remaining children shall be recomputed
3 and paid as though such wife, husband, or child had not survived the
4 participant.

5 (e) The annuity payable to a child under paragraph (c) or (d) of this
6 section shall begin on the first day of the next month after the participant
7 dies and such annuity or any right thereto shall be terminated upon death,
8 marriage, or attainment of the age of eighteen years, except that, if a
9 child is incapable of self-support by reasons of mental or physical disability,
10 the annuity shall be terminated only when such child dies, marries, or
11 recovers from such disability.

12 (f) Any unmarried participant retiring under the provisions of this
13 Act and found by the Director to be in good health may at the time of re-
14 tirement elect a reduced annuity, in lieu of the annuity as hereinbefore
15 provided, and designate in writing a person having an insurable interest
16 (as that term is used in 5 U.S.C. 2259(h)) in the participant to receive
17 an annuity after the participant's death. The annuity payable to the
18 participant making such election shall be reduced by 10 per centum of an
19 annuity computed as provided in paragraph (a) of this section, and by 5
20 per centum of an annuity so computed for each full five years the person
21 designated is younger than the participant, but such total reduction shall
22 not exceed 40 per centum. The annuity of a survivor designated under
23 this paragraph shall be 50 per centum of the reduced annuity computed as
24 prescribed above. The annuity payable to a beneficiary under the provisions

1 of this paragraph shall begin on the first day of the next month after the
2 participant dies. Upon the death of the surviving beneficiary all payments
3 shall cease and no further annuity payments authorized under this paragraph
4 shall be due or payable.

5 PART D -- BENEFITS ACCRUING TO CERTAIN PARTICIPANTS

6 RETIREMENT FOR DISABILITY OR INCAPACITY -- MEDICAL

7 EXAMINATION -- RECOVERY

8 SEC. 231. (a) Any participant who has five years of service credit
9 toward retirement under the system, excluding military or naval service
10 that is credited in accordance with provisions of section 251 or 252(a)(2),
11 and who becomes totally disabled or incapacitated for useful and efficient
12 service by reason of disease, illness, or injury not due to vicious habits,
13 intemperance, or willful misconduct on his part, shall, upon his own applica-
14 tion or upon order of the Director, be retired on an annuity computed as
15 prescribed in section 221. If the disabled or incapacitated participant has
16 less than twenty years of service credit toward his retirement under the
17 system at the time he is retired, his annuity shall be computed on the
18 assumption that he has had twenty years of service, but the additional
19 service credit that may accrue to a participant under this provision shall
20 in no case exceed the difference between his age at the time of retirement
21 and the mandatory retirement age applicable to his grade in the Agency.

22 (b) In each case, the participant shall be given a medical examination
23 by one or more duly qualified physicians or surgeons designated by the
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1 the Director on the basis of the advice of such physicians or surgeons.
2 Unless the disability is permanent, like examinations shall be made
3 annually until the annuitant has reached the statutory mandatory retirement
4 age for his grade in the Agency. If the Director determines on the basis
5 of the advice of one or more duly qualified physicians or surgeons conducting
6 such examinations that an annuitant has recovered to the extent that he can
7 return to duty, the annuitant may apply for reinstatement or reappointment
8 in the Agency within one year from the date his recovery is determined.
9 Upon application the Director may reinstate any such recovered disability
10 annuitant in the grade in which he was serving at time of retirement, or the
11 Director may, taking into consideration the age, qualifications, and experi-
12 ence of such annuitant, and the present grade of his contemporaries in the
13 Agency, appoint him to a grade higher than the one in which he was serving
14 prior to retirement. Payment of the annuity shall continue until a date six
15 months after the date of the examination showing recovery or until the date
16 of reinstatement or reappointment in the Agency, whichever is earlier.
17 Fees for examinations under this provision, together with reasonable
18 traveling and other expenses incurred in order to submit to examination,
19 shall be paid out of the fund. If the annuitant fails to submit to examination
20 as required under this section, payment of the annuity shall be suspended
21 until continuance of the disability is satisfactorily established.

22 (c) If a recovered disability annuitant whose annuity is discontinued is
23 for any reason not reinstated or reappointed in the Agency, he shall be con-
24 sidered to have been separated within the meaning of paragraphs (a) and (b)

1 of section 234 as of the date he was retired for disability and he shall,
2 after the discontinuance of the disability annuity, be entitled to the bene-
3 fits of that section or of section 241(a) except that he may elect voluntary
4 retirement in accordance with the provisions of section 233 if he can
5 qualify under its provisions.

6 (d) No participant shall be entitled to receive an annuity under this
7 Act and compensation for injury or disability to himself under the Federal
8 Employees' Compensation Act of September 7, 1916, as amended, (5 U.S.C.
9 751 et. seq.) covering the same period of time. This provision shall not
10 bar the right of any claimant to the greater benefit conferred by either
11 Act for any part of the same period of time. Neither this provision nor
12 any provision of the said Act of September 7, 1916, as amended, shall be
13 so construed as to deny the right of any participant to receive an annuity
14 under this Act by reason of his own services and to receive concurrently
15 any payment under such Act of September 7, 1916, as amended, by reason
16 of the death of any other person.

17 (e) Notwithstanding any provision of law to the contrary, the right
18 of any person entitled to an annuity under this Act shall not be affected
19 because such person has received an award of compensation in a lump
20 sum under section 14 of the Federal Employees' Compensation Act of
21 September 7, 1916, as amended, (5 U.S.C. 764) except that where such
22 annuity is payable on account of the same disability for which compensation
23 under such section has been paid, so much of such compensation as has
24 been paid for any period extended beyond the date such annuity becomes

1 effective, as determined by the Secretary of Labor, shall be refunded to
2 the Department of Labor, to be paid into the Federal employees' compensa-
3 tion fund. Before such person shall receive such annuity he shall (1) refund
4 to the Department of Labor the amount representing such commuted pay-
5 ments for such extended period, or (2) authorize the deduction of such
6 amount from the annuity payable to him under this Act, which amount shall
7 be transmitted to such Department for reimbursement to such fund.
8 Deductions from such annuity may be made from accrued and accruing
9 payments, or may be prorated against and paid from accruing payments in
10 such manner as the Secretary of Labor shall determine, whenever he finds
11 that the financial circumstances of the annuitant are such as to warrant such
12 deferred refunding.

13 DEATH IN SERVICE

14 SEC. 232. (a) In case a participant dies and no claim for annuity is
15 payable under the provisions of this Act, his contributions to the fund,
16 with interest at the rates prescribed in sections 241(a) and 281(a), shall
17 be paid in the order of precedence shown in section 241(b).

18 (b) If a participant, who has at least five years of service credit
19 toward retirement under the system, excluding military or naval service
20 that is credited in accordance with the provisions of section 251 or 252(a)(2),
21 dies before separation or retirement from the Agency and is survived by a
22 widow or a dependent widower, as defined in section 204, such widow or
23 dependent widower shall be entitled to an annuity equal to 50 per centum
24 of the annuity computed in accordance with the provisions of paragraph (e)

1 of this section and of section 221(a). The annuity of such widow or dependent
2 widower shall commence on the date following death of the participant and
3 shall terminate upon death of the widow or dependent widower, or upon the
4 dependent widower's becoming capable of self-support.

5 (c) If a participant who has at least five years of service credit toward
6 retirement under the system, excluding military or naval service that is
7 credited in accordance with the provisions of section 251 or 252(a)(2), dies
8 before separation or retirement from the Agency and is survived by a wife
9 or a husband and a child or children, each surviving child shall be entitled
10 to an annuity computed in accordance with the provisions of section 221(c)(1).
11 The child's annuity shall begin and be terminated in accordance with the
12 provisions of section 221(e). Upon the death of the surviving wife or
13 husband or termination of the annuity of a child, the annuities of any re-
14 maining children shall be recomputed and paid as though such wife or
15 husband or child had not survived the participant.

16 (d) If a participant who has at least five years of service credit
17 toward retirement under the system, excluding military or naval service
18 that is credited in accordance with the provisions of section 251 or 252(a)(2),
19 dies before separation or retirement from the Agency and is not survived
20 by a wife or husband, but by a child or children, each surviving child shall
21 be entitled to an annuity computed in accordance with the provisions of
22 section 221(c)(2). The child's annuity shall begin and terminate in accord-
23 ance with the provisions of section 221(e). Upon termination of the annuity
24 of a child, the annuities of any remaining children shall be recomputed and
25 paid as though that child had never been entitled to the benefit.

1 (e) If, at the time of his or her death, the participant had less than
2 twenty years of service credit toward retirement under the system, the
3 annuities payable in accordance with paragraph (b) of this section shall
4 be computed in accordance with the provisions of section 221 on the assump-
5 tion he or she has had twenty years of service, but the additional service
6 credit that may accrue to a deceased participant under this provision
7 shall in no case exceed the difference between his or her age on the date
8 of death and the mandatory retirement age applicable to his or her grade
9 in the Agency. In all cases arising under paragraphs (b), (c), (d), or
10 (e) of this section, it shall be assumed that the deceased participant was
11 qualified for retirement on the date of his death.

12 VOLUNTARY RETIREMENT

13 SEC. 233. Any participant in the system who is at least fifty years
14 of age and has rendered twenty years of service may on his own applica-
15 tion and with the consent of the Director be retired from the Agency and
16 receive benefits in accordance with the provisions of section 221 provided
17 he has not less than five years of service with the Agency.

18 DISCONTINUED SERVICE RETIREMENT

19 SEC. 234. (a) Any participant who separates from the Agency after
20 obtaining at least five years of service credit toward retirement under the
21 system, excluding military or naval service that is credited in accordance
22 with the provisions of section 251 or 252(a)(2), may, upon separation from
23 the Agency or at any time prior to becoming eligible for an annuity, elect
24 to have his contributions to the fund returned to him in accordance with

1 the provisions of section 241, or (except in cases where the Director deter-
2 mines that separation was based in whole or in part on the ground of dis-
3 loyalty to the United States) to leave his contributions in the fund and
4 receive an annuity, computed as prescribed in section 221, commencing
5 at the age of sixty years.

6 (b) If a participant who has qualified in accordance with the provisions
7 of paragraph (a) of this section to receive a deferred annuity commencing
8 at the age of sixty dies before reaching the age of sixty his contributions
9 to the fund, with interest, shall be paid in accordance with the provisions
10 of sections 241 and 281.

11 (c) The Director may in his discretion retire participants in grade
12 GS-14 and above. If so retired they shall receive retirement benefits in
13 accordance with the provisions of section 221, provided they have in each
14 case not less than five years of qualifying and a total of ten years of
15 service with the Agency. Any individual so retired who does not meet
16 these service requirements shall receive the benefits provided for indi-
17 viduals in grade GS-13 as set out in paragraph (d) of this section.

18 (d) The Director may in his discretion retire participants in grade
19 GS-13 and below and each such participant shall receive--

20 (1) one-twelfth of a year's salary at his then current salary
21 rate for each year of service and proportionately for a fraction of
22 a year, but not exceeding a total of one year's salary at his then

1 current salary rate, payable without interest, from the fund, in
2 three equal installments on the 1st day of January following the
3 participant's retirement and on the two anniversaries of this date
4 immediately following: Provided, That in special cases, the
5 Director may in his discretion accelerate or combine the installments;
6 and:

7 (2) a refund of the contributions made to the fund, with inter-
8 est as provided in section 241(a), except that in lieu of such refund
9 such participant, if he has at least five years of service credit
10 toward retirement under the system, excluding military or naval
11 service that is credited in accordance with the provisions of section
12 251 or 252(a)(2), may elect to receive retirement benefits on reaching
13 the age of sixty in accordance with the provisions of section 221. In
14 the event that a participant who was separated from grade GS-13 or
15 GS-12 and who has elected to receive retirement benefits dies before
16 reaching the age of sixty, his death shall be considered a death in
17 service within the meaning of section 232. In the event that a partici-
18 pant who was separated from grade GS-11 or below and who has
19 elected to receive retirement benefits dies before reaching the age
20 of sixty, the total amount of his contributions made to the fund, with
21 interest as provided in section 241(a), shall be paid in accordance
22 with the provisions of section 241(b).

23 (e) Notwithstanding the provisions of section 3477 of the Revised
24 Statutes, as amended, (31 U.S.C. 203) or the provisions of any other

1 law, a participant who is retired in accordance with the provisions of
2 paragraph (d) of this section shall have the right to assign to any person
3 or corporation the whole or any part of the benefits receivable by him
4 pursuant to paragraph (d)(1) of this section.

5 MANDATORY RETIREMENT FOR AGE

6 SEC. 235. (a) Any participant in the system in grade GS-18 or above
7 shall upon reaching the age of sixty-five be retired from the Agency and
8 receive retirement benefits in accordance with the provisions of section
9 221, but whenever the Director shall determine it to be in the public inter-
10 est, he may extend such a participant's service for a period not to exceed
11 five years.

12 (b) Any participant in the system, other than in grade GS-18 or above,
13 shall upon reaching the age of sixty be retired from the Agency and receive
14 retirement benefits in accordance with the provisions of section 221, but
15 whenever the Director shall determine it to be in the public interest, he
16 may extend such a participant's service for a period not to exceed five years.

17 PART E -- DISPOSITION OF CONTRIBUTIONS AND INTEREST IN EXCESS

18 OF BENEFITS RECEIVED

19 SEC. 241. (a) Whenever a participant becomes separated from the
20 Agency without becoming eligible for an annuity or a deferred annuity in
21 accordance with the provisions of this Act, the total amount of contribu-
22 tions from his salary with interest thereon at 4 per centum per annum,
23 compounded annually as of December 31, and proportionately for the
24 period served during the year of separation including all contributions made
25 during or for such period, except as provided in section 281, shall be re-
26 turned to him.

1 (b) In the event that the total contributions of a retired participant,
2 other than voluntary contributions made in accordance with the provisions
3 of section 281, with interest at 4 per centum per annum compounded
4 annually as is provided in paragraph (a) of this section added thereto,
5 exceed the total amount returned to such participant or to an annuitant
6 claiming through him, in the form of annuities, accumulated at the same
7 rate of interest up to the date the annuity payments cease under the terms
8 of the annuity, the excess of the accumulated contributions over the ac-
9 cumulated annuity payments shall be paid in the following order of
10 precedence, upon the establishment of a valid claim therefor, and such
11 payment shall be a bar to recovery by any other person:

12 (1) To the beneficiary or beneficiaries designated by such participant
13 in writing to the Director;

14 (2) If there be no such beneficiary, to the surviving wife or husband
15 of such participant;

16 (3) If none of the above, to the child or children of such participant
17 and descendants of deceased children by representation;

18 (4) If none of the above, to the parents of such participant or the
19 survivor of them;

20 (5) If none of the above, to the duly appointed executor or administrator
21 of the estate of such participant;

22 (6) If none of the above, to other next of kin of such participant as
23 may be determined by the Director in his judgment to be legally entitled
24 thereto.

1 (c) No payment shall be made pursuant to paragraph (b)(6) of this
2 section until after the expiration of thirty days from the death of the re-
3 tired participant or his surviving annuitant.

4 PART F -- PERIOD OF SERVICE FOR ANNUITIES

5 COMPUTATION OF LENGTH OF SERVICE

6 SEC. 251. For the purposes of this Act, the period of service of a
7 participant shall be computed from the date he becomes a participant under
8 the provisions of this Act, but all periods of separation from the Agency
9 and so much of any leaves of absence without pay as may exceed six months
10 in the aggregate in any calendar year shall be excluded, except leaves of
11 absence while receiving benefits under the Federal Employees' Compensa-
12 tion Act of September 7, 1916, as amended, (5 U.S.C. 751 et seq.) and
13 leaves of absence granted participants while performing active and honor-
14 able military or naval service in the Army, Navy, Air Force, Marine
15 Corps, or Coast Guard of the United States.

16 PRIOR SERVICE CREDIT

17 SEC. 252. (a) A participant may, subject to the provisions of this
18 section, include in his period of service --

19 (1) civilian service in the executive, judicial, and legislative branches
20 of the Federal Government and in the District of Columbia government,
21 prior to becoming a participant; and

22 (2) active and honorable military or naval service in the Army, Navy,
23 Air Force, Marine Corps, or Coast Guard of the United States.

24 (b) A participant may obtain prior civilian service credit in accordance

1 with the provisions of paragraph (a)(1) of this section by making a special
2 contribution to the fund equal to 5 per centum of his basic annual salary
3 for each year of service for which credit is sought prior to November 8,
4 1960, and at 6 1/2 per centum thereafter with interest compounded
5 annually at 4 per centum per annum to the date of payment. Any such
6 participant may, under such conditions as may be determined in each
7 instance by the Director, pay such special contributions in installments.

8 (c) (1) If an officer or employee under some other Government re-
9 tirement system becomes a participant in the system by direct transfer,
10 such officer or employee's total contributions and deposits, including
11 interest accrued thereon, except voluntary contributions, shall be trans-
12 ferred to the fund effective as of the date such officer or employee becomes
13 a participant in the system. Each such officer or employee shall be deemed
14 to consent to the transfer of such funds and such transfer shall be a com-
15 plete discharge and acquittance of all claims and demands against the
16 other Government retirement fund on account of service rendered prior
17 to becoming a participant in the system.

18 (2) No participant, whose contributions are transferred to the fund in
19 accordance with the provisions of paragraph (c)(1) of this section, shall be
20 required to make contributions in addition to those transferred for periods
21 of service for which full contributions were made to the other Government
22 retirement fund, nor shall any refund be made to any such participant on
23 account of contributions made during any period to the other Government
24 retirement fund at a higher rate than that fixed by section 211 of this Act
25 for contributions to the fund.

1 (3) No participant, whose contributions are transferred to the fund
2 in accordance with the provisions of paragraph (c)(1) of this section, shall
3 receive credit for periods of service for which a refund of contributions
4 has been made, or for which no contributions were made to the other
5 Government retirement fund. A participant may, however, obtain credit
6 for such prior service by making a special contribution to the fund in
7 accordance with the provisions of paragraph (b) of this section.

8 (d) No participant may obtain prior civilian service credit toward
9 retirement under the system for any period of civilian service on the
10 basis of which he is receiving or will in the future be entitled to receive
11 any annuity under another retirement system covering civilian personnel
12 of the Government.

13 (e) A participant may obtain prior military or naval service credit in
14 accordance with the provisions of paragraph (a)(2) of this section by applying
15 for it to the Director prior to retirement or separation from the Agency.
16 However, in the case of a participant who is eligible for and receives
17 retired pay on account of military or naval service, the period of service
18 upon which such retired pay is based shall not be included, except that in
19 the case of a participant who is eligible for and receives retired pay on
20 account of a service-connected disability incurred in combat with an
21 enemy of the United States or caused by an instrumentality of war and in-
22 curred in line of duty during a period of war (as that term is used in chapter
23 11 of title 38, United States Code), or is awarded under chapter 67

1 of title 10 of the United States Code, the period of such military or naval
2 service shall be included. No contributions to the fund shall be required
3 in connection with military or naval service credited to a participant in
4 accordance with the provisions of paragraph (a)(2) of this section.

5 CREDIT FOR SERVICE WHILE ON MILITARY LEAVE

6 SEC. 253. Contributions shall not be required covering periods of
7 leave of absence from the Agency granted a participant while performing
8 active military or naval service in the Army, Navy, Air Force, Marine
9 Corps, or Coast Guard of the United States.

10 PART G--MONEYS

11 ESTIMATE OF APPROPRIATIONS NEEDED

12 SEC. 261. The Director shall prepare the estimates of the annual
13 appropriations required to be made to the fund, and shall cause to be
14 made actuarial valuations of the fund at intervals of five years, or oftener
15 if deemed necessary by him.

16 INVESTMENT OF MONEYS IN THE FUND

17 SEC. 262. The Director may, with the approval of the Secretary of
18 the Treasury, invest from time to time in interest-bearing securities of
19 the United States such portions of the fund as in his judgment may not be
20 immediately required for the payment of annuities, cash benefits, refunds,
21 and allowances, and the income derived from such investments shall con-
22 stitute a part of such fund.

23 ATTACHMENT OF MONEYS

24 SEC. 263. None of the moneys mentioned in this Act shall be assignable

1 either in law or equity, or be subject to execution, levy, attachment,
2 garnishment, or other legal process, except as provided in section 234(e).

3 PART H--RETIRED PARTICIPANTS RECALLED, REINSTATED, OR
4 REAPPOINTED IN THE AGENCY, OR REEMPLOYED IN THE GOVERNMENT

5 RECALL

6 SEC. 271. (a) The Director may recall any retired participant to duty
7 in the Agency whenever he shall determine such recall is in the public inter-
8 est.

9 (b) Any such participant recalled to duty in the Agency in accordance
10 with the provisions of paragraph (a) of this section or reinstated or reappointed
11 in accordance with the provisions of section 231(b) shall, while so serving, be
12 entitled in lieu of his annuity to the full salary of the grade in which he is
13 serving. During such service, he shall make contributions to the fund in
14 accordance with the provisions of section 211. When he reverts to his retired
15 status, his annuity shall be determined anew in accordance with the provisi-
16 sions of section 221.

17 REEMPLOYMENT

18 SEC. 272. Notwithstanding any other provision of law, a participant
19 retired under the provisions of this Act shall not, by reason of his retired
20 status, be barred from employment in Federal Government service in any
21 appointive position for which he is qualified. An annuitant so reemployed
22 shall serve at the will of the appointing officer.

23 REEMPLOYMENT COMPENSATION

24 SEC. 273. (a) Notwithstanding any other provision of law, any

1 annuitant who has retired under this Act and who is reemployed in the
2 Federal Government service in any appointive position either on a part-
3 time or full-time basis shall be entitled to receive the salary of the posi-
4 tion in which he is serving plus so much of his annuity payable under this
5 Act which when combined with such salary does not exceed during any
6 calendar year the basic salary such annuitant was entitled to receive on
7 the date of his retirement from the Agency. Any such reemployed annui-
8 tant who receives salary during any calendar year in excess of the maxi-
9 mum amount which he may be entitled to receive under this paragraph
10 shall be entitled to such salary in lieu of benefits hereunder.

11 (b) When any such retired annuitant is reemployed, the employer
12 shall send a notice to the Agency of such reemployment together with all
13 pertinent information relating thereto, and shall pay directly to such
14 annuitant the salary of the position in which he is serving.

15 (c) In the event of any overpayment under this section, such overpay-
16 ment shall be recovered by withholding the amount involved from the salary
17 payable to such reemployed annuitant, or from any other moneys, including
18 his annuity, payable in accordance with the provisions of this Act.

19 PART I -- VOLUNTARY CONTRIBUTIONS

20 SEC. 281. (a) Any participant may, at his option and under such
21 regulations as may be prescribed by the Director, deposit additional sums
22 in multiples of 1 per centum of his basic salary, but not in excess of 10
23 per centum of such salary, which amounts together with interest at 3 per
24 centum per annum, compounded annually as of December 31, and pro-
25 portionate for the period from January 1 to the date of the last payment.

1 including all contributions made during or for such period, shall, at the
2 date of his retirement and at his election, be--

3 (1) returned to him in lump sum; or

4 (2) used to purchase an additional life annuity; or

5 (3) used to purchase an additional life annuity for himself and to pro-
6 vide for a cash payment on his death to a beneficiary whose name shall be
7 notified in writing to the Director by the participant; or

8 (4) used to purchase an additional life annuity for himself and a life
9 annuity commencing on his death payable to a beneficiary whose name
10 shall be notified in writing to the Director by the participant with a
11 guaranteed return to the beneficiary or his legal representative of an
12 amount equal to the cash payment referred to in subparagraph (3) above.

13 (b) The benefits provided by subparagraphs (2), (3), or (4) of para-
14 graph (a) of this section shall be actuarially equivalent in value to the
15 payment provided for by subparagraph (a)(1) of this section and shall be
16 calculated upon such tables of mortality as may be from time to time pre-
17 scribed for this purpose by the Director.

18 (c) In case a participant shall become separated from the Agency for
19 any reason except retirement on an annuity, the amount of any additional
20 deposits with interest at 3 per centum per annum, compounded as is pro-
21 vided in paragraph (a) of this section, made by him under the provisions
22 of said paragraph (a) shall be refunded in the manner provided in section
23 241 for the return of contributions and interest in the case of death or
24 separation from the Agency.

1 (d) Any benefits payable to a participant or to his beneficiary in
2 respect to the additional deposits provided under this section shall be
3 in addition to the benefits otherwise provided under this Act.